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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 25, 2012

CERTIFIED RETURN RECEIPT
7011 0110 0001 3568 3506

Jerome Bown
Bown Stone Products
93 West 300 South
P. O. Box 224
Manti, Utah 84642-0224

Subject: Review of Reclamation Surety, Bown Stone Products, Desert Sienna Mine,
S/015/0093, Emery County, Utah

Dear Mr. Bown:

The last surety estimate for the Desert Sienna Mine was done in 2006 and escalated to 2011 dollars. The surety amount needs to be adjusted to account for changes in reclamation costs.

Based on average reclamation costs, the surety amount needs to be increased from \$20,700 to \$27,100 (3-year escalation) or \$27,700 (5-year escalation). The average reclamation costs are outlined below:

Small Mining Operation Notices

Project Size (Acres)	Surety 3 & 5 year escalation 2012	Comments
1 or less acres	\$7,900 (3-year escalation) \$8,100 (5-year escalation)	Minimum amount required
Additional acres up to 10 total acres	\$4,800/ acre (3-year escalation) \$4,900/acre (5-year escalation)	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)
Cumulative Amount for 5 acres	5 acres = \$7,900 + \$19,200 = \$27,100 (3-year escalation) \$8,100 + \$19,600 = \$27,700 (5- year escalation)	



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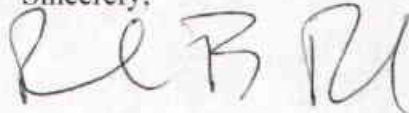
You may submit a letter of credit, a certificate of deposit, a surety bond or cash for either the increased or the total amount. Please contact the Division's bonding coordinator, Penny Berry, for more information about submitting the increase. She can be reached by telephone at 801-538-5291 or by e mail at bondcoordinator@utah.gov for additional information. Bonding forms are available on the Internet at <http://www.ogm.utah.gov/minerals/MINERALSFORMS.htm>.

As an alternative to increasing the surety amount, the reclamation liability can be decreased by reclaiming a portion of the site and amending the Notice of Intention to Commence Small Mining Operations to show the decreased acreage. If you decide to pursue this option, please contact the lead inspector Wayne Western at 801 538-5263. The Division would need to continue to hold adequate surety for the reclaimed area while vegetation is becoming established.

Please provide the additional surety or perform the reclamation no later than September 4, 2012.

Thank you for your help in keeping the surety current. If you have any questions concerning this letter, please contact me at 801-538-5261 or Wayne Western at 801-538-5263.

Sincerely,

A handwritten signature in dark ink, appearing to read 'PBB' followed by a stylized flourish.

Paul B. Baker
Mining Program Manager

PBB:whw:pb

cc: CConrad@blm.gov

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